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4/17/93

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, N.W. Washington, DC. 20554

Subject: ET Docket: 92-298

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Gentlemen;

The FCC's current proposal to declare Motorola's C-Quam AM stereo system the national standard is a big mistake.

Back in 1982, the FCC decided that it would not force an AM stereo standard on the industry, but would instead allow the free marketplace to function and come up with the most widely accepted and best system for the industry. If the marketplace were to have been allowed to work, a single standard would have emerged within a couple of years. As we all know this was not to be the case. No standard acceptable to the AM broadcasting industry has emerged.

AM radio broadcasters have had over a decade now to experiment with Motorola's C-Quam AM stereo. Since there are so many C-Quam Am stereo receivers in the hands of the general public (notably those GM car radios), why have so few AM broadcasters opted to adopt that standard? Even more perplexing is the question raised by the fact that many AM radio broadcasters who have made the investment to put C-Quam on their airwaves have since removed this equipment because it hurt their business.

Even the unholy alliance between General Motors and Motorola could not force the majority of stations in the US, to adopt the Motorola C-Quam system. The 10% or so of stations that have adopted C-Quam do not cover 10% of the US. population base, but are mostly smaller, less astute properties who have fallen prey to the marketing strong-arm of GM.

As Managing Director of Technical Operations for NBC radio, I and my staff spent quite some time examining the technical aspects of all of the proposed AM stereo systems. We found the Motorola system to be severely lacking. The best technical system, and the one that we ultimately installed, was the Kahn / Hazeltine system. It produced the best quality, with no detrimental effects to our monaural transmission.

Why did the marketplace fail in this case? The best of technical transmission standards cannot be sold or adopted if there are no receivers generally available to decode such transmissions. It is apparent that the combined power of General Motors and Motorola have kept the receiver manufacturers from producing systems capable of receiving other than C-Quam, even though multi-mode receiver integrated circuits were inexpensive and available from very early on.

AM radio is obviously in deep trouble. It is competing not only with FM, but with cassette tapes, CD's, cable audio, and a growing myriad of other entertainment services. If an AM stereo standard is dictated that turns out to supply inferior audio, or further limits the coverage area of a station, it could be the death knell of AM radio. Establishing a standard just to get it over with is not the answer.

The answer may come from looking to the future. If the path of radio lies in a digital domain, then technology which will help growth along this route must be promoted. Sideband transmission, carrier suppression and more technically aesthetic designs are the necessary building blocks for developing forward-looking standards. The current Kahn / Hazeltine system lends itself to these advances, whereas the Motorola C-Quam system is technically incorrect, utilizing a system of patches to make it appear to work. Where could we go from there if it were an imposed standard? Establishing standards should be left to qualified engineers, not the marketing arms of big companies and bureaucratic politicians.

Yours truly,

John Bailie

Mng. Dir. Tech. Ops. NBC Radio (former)